

AMENDATORY SECTION:

WAC 230-40-805 Progressive jackpot prizes -- Procedures -- Restrictions -- House-banking. Licensees are authorized to operate progressive jackpot prizes in conjunction with approved house-banked card games. Entry into a progressive jackpot is based upon a separate wager by a player, part of which accrues to a progressively increasing prize. A player wins the jackpot prize, or portion thereof, based upon achieving a predetermined pattern or combination of cards. Each licensee operating such games shall ensure they are closely controlled, all the funds collected are accounted for, and prizes and methods of winning are adequately disclosed to players. The following procedures and restrictions apply to progressive jackpots:

Restrictions.

- (1) House-banked progressive jackpot restrictions:
 - (a) The amount of funds accrued to the primary and reserve or secondary jackpots shall increase by a predetermined amount of each wager made, in accordance with the rules of the game;
 - (b) The amount of the progressive jackpot eligible to be awarded as a prize shall be prominently displayed at each gaming table;
 - (c) The beginning amount of each progressive jackpot offered must be recorded, including explanations for any increase or decrease in the amount of the prize offered. This documentation shall be maintained with the progressive jackpot records; and
 - (d) A licensee may establish a maximum limitation on a progressive jackpot prize. If such a limit is established:
 - (i) The amount must be equal to or greater than the amount of the jackpot when the limit is imposed; and
 - (ii) A notice of the limit must be conspicuously posted at or near the game;

Adjusting jackpot amounts and prize payouts.

- (2) A licensee shall not reduce the amount of a progressive jackpot prize, that has been accrued and displayed to players except as authorized by this section. The following adjustments are allowed to accrued progressive jackpot prizes:
 - (a) Jackpot prizes of five thousand dollars or less shall be paid out immediately. For prizes over five thousand dollars, a minimum of five thousand dollars must be paid immediately and the remaining balance paid, by check, within twenty-four hours: Provided, That a check shall be issued for the entire prize balance within twenty-four hours, at the player's request. The jackpot and advertised amount shall be reduced only by the amount won;
 - (b) An adjustment may be made to correct malfunctioning equipment or to prevent the display of an amount greater than a predetermined maximum prize limit; or
 - (c) A reserve or secondary jackpot may be reduced as long as the funds removed are recorded as gross receipts and are properly documented in the records. A reserve or secondary jackpot may also be reduced to recover seed money that was not taken from gross receipts, provided that those funds are properly documented in the records;

Removing all or portion of a jackpot from play.

(3) House-banked progressive jackpot prizes, which are advertised or displayed in any manner are deemed to be funds for which players have a vested interest and may only be removed from play under the following conditions:

Disbursement.

(a) The director or the director's designee provides the licensee written approval of a plan to disburse all jackpot funds back to the players. The request for approval shall include full details of the distribution plan and shall be conspicuously posted at least ten days prior to distribution. Licensees shall disburse the funds utilizing one or more of the following methods:

- (i) By offering the prize on a different house-banked game;
- (ii) Offering the prize through means of an approved tournament. All funds must be distributed within sixty days from the date of approval by commission staff; or
- (iii) Donating the money to the Washington state council on problem gambling; and

Discontinued jackpot-player notification.

(b) The licensee must notify players of any planned discontinuance, including closure of the business, by conspicuously posting notice for a period of ten days prior to beginning the discontinuance process;

Awarding merchandise prizes with jackpot funds.

(c) Licensees may reduce the jackpot only by the dollar amount paid for the ~~((use a portion of these funds to purchase))~~ merchandise to be awarded as prizes under the following conditions:

- (i) The licensee discloses to the public that a specific portion of these jackpot funds were used to purchase merchandise to be awarded as prizes, as well as the specific prize to be awarded;
- (ii) The merchandise is awarded as a prize on the specific outcome of a game and is included in the game rules;
- (iii) The merchandise prizes shall be owned by the licensee and paid for in full, without lien or interest of others, prior to the prize being awarded: Provided, That when the winner has an option to receive a cash prize in lieu of such merchandise, a licensee may enter into a contract to immediately purchase a merchandise prize after the winner chooses their option;
- (iv) The licensee must disclose the value of the merchandise to be awarded. This value must be true and verifiable; and
- (v) Detailed records, including purchase invoice, are maintained on premises and available for review by commission staff;

Temporarily removing a jackpot from play.

(4) A licensee may temporarily remove a progressive jackpot game from play subject to the following conditions:

- (a) The removal and reasons must be approved in writing by commission staff; and
- (b) The disruption is caused by circumstances beyond the control of the licensee, or for other good cause (for example: Remodeling the card room); and
- (c) Players are notified of the disruption and the estimated date of continuance.

AMENDATORY SECTION:**July and August Agenda Version**

WAC 230-40-825 Closed circuit television system--House-banking. Critical activities related to the operation of house-banked card games shall be closely monitored by the use of a closed circuit television (CCTV) system and recorded using analog and/or digital recording equipment. Each house-banked card room licensee shall install and maintain a CCTV system that meets the following requirements.

Camera coverage.

(1) The following areas are required to be viewed by the CCTV system:

(a) All gaming at each table including, but not limited to, the following:

(i) Cards;

(ii) Wagers;

(iii) Chip tray;

(iv) Drop box openings;

(v) Card shoe;

(vi) Shuffling devices; and

(vii) Players and dealers.

(b) All activity in the pits.

(c) All activity in the cashier's cage including, but not limited to, the:

(i) Outside entrance;

(ii) Fill/credit dispenser;

(iii) Customer transactions;

(iv) Cash and chip drawers;

(v) Vault/safe;

(vi) Storage cabinets;

(vii) Fill or credit transactions; and

(viii) Floor.

(d) All activity in the count room including, but not limited to, the:

(i) Count table;

(ii) Floor;

(iii) Counting devices;

(iv) Trolley;

(v) Drop boxes;

(vi) Storage shelves/cabinets; and

(vii) Entrance and exits.

(e) The movement of cash, gaming chips, and drop boxes.

(f) Entrances and exits to the card room.

Camera requirements.

(2) The CCTV system shall consist of light sensitive cameras including those with pan, tilt, and zoom (PTZ) capabilities having the ability to determine card and chip values and the configuration of wagers at each gaming table. Each video camera shall be capable of having its images displayed on a video monitor and recorded. Cameras shall be installed in a manner that will prevent them from being readily obstructed, tampered with, or disabled by patrons or employees. PTZ cameras shall be placed behind a smoked dome, one-way mirror or similar materials that conceal the camera from view. Installed cameras shall cover the areas required by this rule and shall include at a minimum:

(a) At least one fixed camera focused over each gaming table covering the entire layout;

(b) A sufficient number of fixed and/or PTZ cameras permanently programmed for the purposes of monitoring players and dealers at each gaming table. The PTZ cameras must be capable of viewing each patron and dealer at each gaming position at least once every five minutes;

(c) A sufficient number of PTZ cameras for the purpose of determining the configuration of wagers and card values at each gaming table. Any time a winning wager, including jackpot or bonus payouts in excess of five hundred dollars are won, surveillance shall utilize this camera to verify the winning hand, the amount of the

wager, and the player who won the prize. Each licensee shall have documented procedures in their internal controls stipulating the manner in which this will be carried out;

- (d) A sufficient number of fixed and/or PTZ cameras in the cage(s);
- (e) A sufficient number of fixed and/or PTZ cameras in the count room; and
- (f) Any other location as deemed necessary by commission staff.

Video recording equipment requirements.

(3) Video recording equipment shall meet the following requirements:

(a) **Analog recording**, including audio recording where required, using a video cassette recorder, shall comply with the following requirements:

(i) Images shall be recorded at a rate of not less than twenty frames per second on standard VHS format; and

(ii) Recorded images shall accurately reflect the time and date of the video recording. If multiple time and date generators are used, they shall be synchronized to the same time and date; or

(b) **Digital recording**, including audio recording where required, using a hard drive storage system, shall comply with the following requirements:

- (i) All images shall be recorded on a hard drive;
- (ii) Recording systems shall be locked by the manufacturer to disable the erase and reformat functions to prevent access to system data files.
- (iii) The system must provide uninterrupted recording of surveillance, this shall include during playback or copying;
- (iv) Recording systems shall be capable of copying original images maintaining the original native format;
- (v) Images shall be stored at a rate of not less than twenty-five images per second;
- (vi) Resolution shall be 640 X 480 or higher;
- (vii) Images shall be stored in a format that is readable by Commission computer equipment;
- (viii) Images shall be stored in a format that contains a method to verify the authenticity of the original recording and copies;
- (ix) Recorded images shall include the accurate time and date the video was originally recorded;
- (x) Previously recorded material may be overwritten after seven continuous days of gaming; and
- (xi) Recording systems shall be equipped with an uninterruptible power source to support the system for a minimum of one hour.

Use of multiplexing and quad recording devices.

(4) Multiplexing/quad recording devices may only be used for external surveillance, movement of drop boxes between tables and the count room, and on entrances and exits: Provided, That split screen devices may be utilized for areas not required to have surveillance coverage.

Recording of illegal or suspicious activities.

(5) Illegal or suspicious activities within the monitored portion of the licensed premises shall be reported to commission staff, pursuant to WAC 230-40-815 (3)(a)(v-vi). Additionally, licensees shall ensure two copies of the entire recorded image sequence are made reflecting the questioned activity. One copy shall be provided to commission staff or other law enforcement representative upon demand and the other copy maintained by the licensee for a period of thirty days.

Activities to be recorded.

(6) Video signals from all cameras shall be recorded when:

- (a) Gaming tables are in operation;
- (b) Drop boxes or chip trays are stored on the gaming tables;
- (c) Drop boxes are being transported; or
- (d) Drop box contents are being counted.

Video monitors.

(7) The CCTV system shall include a sufficient number of video monitors to simultaneously view multiple gaming tables, the cashier's cage, and count room activities.

Surveillance room.

(8) The licensee shall maintain one or more surveillance rooms with the following minimum requirements:

(a) The surveillance room shall have controlled access and be used solely by the employees of the surveillance department assigned to monitor activities: Provided, That this restriction does not apply to owners or approved supervisory or management personnel.

(b) Commission agents and law enforcement personnel shall be provided immediate access to the surveillance room upon request.

(c) Entrances to surveillance rooms shall not be readily observable from the gaming operation area.

(d) The licensee shall ensure a surveillance employee is present in the surveillance room and monitoring the activities of the operation, via the surveillance room equipment, any time the card room is open to conduct gaming and during the count process: Provided, That the licensee may allow the surveillance room to operate without staff for a period not to exceed thirty minutes per shift for the purpose of routine breaks.

~~((Surveillance staff not required.~~

~~((9) Licensees that are licensed for five or fewer tables and not operating under Phase II limits, shall not be required to maintain a staffed surveillance room.))~~

Surveillance activity log.

~~((10))~~ (9) The licensee shall maintain a record of all surveillance activities in the surveillance room. A surveillance log shall be maintained by surveillance personnel and shall include, at a minimum, the following:

- (a) Date and time of surveillance;
- (b) Person initiating surveillance;
- (c) Time of termination of surveillance;
- (d) Summary of the results of the surveillance; and
- (e) A record of any equipment or camera malfunctions.

Employee sign-in log.

~~((11))~~ (10) A surveillance room sign-in log shall be maintained to document the time each surveillance employee monitors the card room. The surveillance sign-in log shall be available for inspection at any time by commission staff or law enforcement personnel.

Labeling and storing video and audio recordings.

~~((12))~~ (11) Video and audio recordings shall be marked to denote the activity recorded and retained for a period necessary to afford commission staff or law enforcement personnel reasonable access. The following minimum retention periods apply to recordings:

- (a) Recordings shall be retained for a minimum of seven complete gaming days;
- (b) Recordings of evidentiary value shall be maintained as requested by commission staff; and
- (c) Recordings documenting jackpot payouts over three thousand dollars shall be retained for at least thirty days; and
- (d) Commission staff may increase any of the retention requirements noted in this section by notifying the licensee.

Dispute resolution.

~~((13))~~ (12) In the event there is not sufficient clarity due to violations of the above requirements, the burden will be on the licensee to prove any action taken was warranted. Otherwise, all disputes shall be resolved in favor of the player: Provided, That a review by commission staff may be requested if the licensee feels circumstances warrant, for example, cheating has occurred.